HOW M2E ADVISORY UNCOVERED $2 BILLION INCREMENTAL REVENUE BY IDENTIFYING PRODUCT WHITE SPACE

AT A GLANCE

Challenges

- Limited insights into customer behavior
- Fragmented & inconsistent data
- Lack of data-driven strategies

Results

- Multi-billion whitespace identification
- Improved product lifecycle
- Better assortment planning & pricing

CHALLENGE

The home improvement retailer faced several challenges, including fragmented data sources, limited insights into customer behavior, and inefficiencies in space planning and inventory management. Additionally, the retailer needed to improve organizational adoption of data-driven strategies to drive business success.

SOLUTION

The project yielded strategic gains in speed, agility, and quick wins, facilitating efficient operations. It established a uniform planning playbook, ensuring data standardization and dashboard implementation across categories. By integrating customer insights and optimizing store space, the project enhanced overall performance and informed targeted merchandising strategies.

OBJECTIVE

Establish a planning function for assortment and inventory that prioritized customer insights in the decision-making process for a multi-billion dollar home improvement retailer.

RESULTS

+$2B
Incremental revenue by identifying product white space just in home décor/kitchen & bath/seasonal categories

+$200M
Identified in local market opportunities

+$1B
Increase from localization with better assortment planning and pricing

+$800M
Identified in white space

~3.5 Month Shorter Lifecycle
Reduced product lifecycle from 7 months to 3.5 months by streamlining data and incorporating web & stores for the first time

2X Original Goal
Original plan by creating cloud-based data accelerator that streamlined data across cross-functional teams